



General Assembly

January Session, 2009

Committee Bill No. 388

LCO No. 4557

* SB00388PD 031709 *

Referred to Committee on Planning and Development

Introduced by:
(PD)

AN ACT CONCERNING REVALUATION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage, and applicable to assessment*
2 *years commencing on or after October 1, 2008*) (a) Notwithstanding any
3 provision of the general statutes, any municipal charter, any special act
4 or any home rule ordinance, any municipality required to effect a
5 revaluation of real property under section 12-62 of the general statutes
6 for the 2008 assessment year shall not be required to effect a
7 revaluation prior to the 2009 assessment year provided any decision
8 not to implement a revaluation pursuant to this subsection shall be
9 approved by the legislative body of such town or, in any town where
10 the legislative body is a town meeting, by the board of selectmen. Any
11 required revaluation subsequent to any delayed revaluation effected
12 pursuant to this subsection shall be effected in accordance with the
13 provisions of said section 12-62. The rate maker, as defined in section
14 12-131 of the general statutes, in any municipality that elects, pursuant
15 to this subsection, not to implement a revaluation may prepare new
16 rate bills under the provisions of chapter 204 of the general statutes in
17 order to carry out the provisions of this section.

18 (b) The assessor or board of assessors of any municipality that
19 elects, pursuant to subsection (a) of this section, not to implement a
20 revaluation of real property for the 2008 assessment year shall prepare
21 a revised grand list for said assessment year, which shall reflect the
22 assessments of real estate according to the grand list in effect for the
23 assessment year commencing October 1, 2007, subject only to transfers
24 of ownership, additions for new construction and reductions for
25 demolitions. Such assessor shall send notice of any increase in the
26 valuation of real estate over the valuation of such real estate as of
27 October 1, 2007, or notice of the valuation of any real estate which is on
28 the grand list to be effective for the October 1, 2008, assessment year
29 but was not on such list in the prior assessment year, to the last-known
30 address of the person whose valuation is so affected, and such person
31 shall have the right to appeal such increase or valuation during the
32 next regular session of the board of assessment appeals at which real
33 estate appeals may be heard.

34 Sec. 2. Section 12-62c of the general statutes is repealed and the
35 following is substituted in lieu thereof (*Effective from passage, and*
36 *applicable to assessment years commencing on or after October 1, 2009*):

37 (a) (1) A town implementing a revaluation of all real property may
38 phase in a real property assessment increase or a portion of such
39 increase resulting from such revaluation, by requiring the assessor to
40 gradually increase the assessment or the rate of assessment applicable
41 to such property in the assessment year preceding that in which the
42 revaluation is implemented, in accordance with one of the methods set
43 forth in subsection (b) of this section. The legislative body of the town
44 shall approve the decision to provide for such phase-in, the method by
45 which it is accomplished and its term, provided the number of
46 assessment years over which such gradual increases are reflected shall
47 not exceed five assessment years, including the assessment year for
48 which the revaluation is effective. If a town chooses to phase in a
49 portion of the increase in the assessment of each parcel of real property
50 resulting from said revaluation, said legislative body shall establish a
51 factor, which shall be not less than twenty-five per cent, and shall

52 apply such factor to such increases for all parcels of real property,
53 regardless of property classification. A town choosing to phase in a
54 portion of assessment increase shall multiply such factor by the total
55 assessment increase for each such parcel to determine the amount of
56 such increase that shall not be subject to the phase-in. The assessment
57 increase for each parcel that shall be subject to the gradual increases in
58 amounts or rates of assessment, as provided in subsection (b) of this
59 section, shall be (A) the difference between the result of said
60 multiplication and the total assessment increase for any such parcel, or
61 (B) the result derived when such factor is subtracted from the actual
62 percentage by which the assessment of each such parcel increased as a
63 result of such revaluation, over the assessment of such parcel in the
64 preceding assessment year and said result is multiplied by such
65 parcel's total assessment increase.

66 (2) The legislative body may approve the discontinuance of a phase-
67 in of real property assessment increases resulting from the
68 implementation of a revaluation, at any time prior to the completion of
69 the phase-in term originally approved, provided such approval shall
70 be made on or before the assessment date that is the commencement of
71 the assessment year in which such discontinuance is effective. In the
72 assessment year following the completion or discontinuance of the
73 phase-in, assessments shall reflect the valuation of real property
74 established for such revaluation, subject to additions for new
75 construction and reductions for demolitions occurring subsequent to
76 the date of revaluation and on or prior to the date of its completion or
77 discontinuance, and the rate of assessment applicable in such year, as
78 required by section 12-62a.

79 (b) A town shall use one of the following methods to determine the
80 phase-in of real property assessment increases or the phase-in of a
81 portion of such increases resulting from the implementation of a
82 revaluation:

83 (1) The assessment of each parcel of real property for the assessment
84 year preceding that in which such revaluation is effective shall be

85 subtracted from the assessment of each such parcel in the effective year
86 of said revaluation, and the annual amount of incremental assessment
87 increase for each such parcel shall be the total of such subtraction
88 divided by the number of years of the phase-in term, provided if a
89 town chooses to phase in a portion of the assessment increase for each
90 real property parcel, the amount of such increase that is not subject to
91 the phase-in shall not be reflected in said calculation; or

92 (2) The ratio of the total assessed value of all taxable real property
93 for the assessment year preceding that in which a revaluation is
94 effective and the total fair market value of such property as
95 determined from records of actual sales in said year, shall be
96 subtracted from the rate of assessment set forth in section 12-62a, and
97 the annual incremental rate of assessment increase applicable to all
98 parcels of real property shall be the result of such subtraction divided
99 by the number of years of the phase-in term. Prior to determining such
100 annual incremental rate of assessment increase, a town that chooses to
101 phase in a portion of the assessment increase for each real property
102 parcel shall multiply the result of said subtraction by the factor
103 established in accordance with subsection (a) of this section, to
104 determine the rate of assessment that shall not be subject to such
105 phase-in; or

106 (3) The ratio of the total assessed value of all taxable real property in
107 each of the following property classes for the assessment year
108 preceding that in which a revaluation is effective and the total fair
109 market value of such property in each class as determined from
110 records of actual sales in said year, shall be subtracted from the rate of
111 assessment set forth in section 12-62a, and the annual incremental rate
112 of assessment increase applicable to all parcels of real property in each
113 such class shall be the result of such subtraction divided by the
114 number of years of the phase-in term, where such property classes are:
115 (A) Residential property; (B) commercial property, including
116 apartments containing five or more dwelling units, industrial property
117 and public utility property; and (C) vacant land. In the event the
118 assessor determines that there are no records of actual sales of real

119 property in any such property class in said year or that the number of
120 such actual sales is insufficient for purposes of determining a rate of
121 increase under this subdivision, the annual incremental rate of
122 assessment increase determined under subdivision (2) of this
123 subsection shall be used for said property class.

124 (c) The assessment of any new construction that first becomes
125 subject to taxation during an assessment year encompassed within the
126 term of a phase-in shall be determined in the same manner as the
127 assessment of all other comparable real property in said assessment
128 year, such that the total of incremental increases applicable to such
129 other comparable real property are reflected in the assessment of such
130 new construction prior to the proration of such assessment pursuant to
131 section 12-53a.

132 (d) Not later than thirty business days after the date a town's
133 legislative body votes to phase in real property assessment increases
134 resulting from such revaluation, or votes to discontinue such a phase-
135 in, the chief executive officer of the town shall notify the Secretary of
136 the Office of Policy and Management, in writing, of the action taken.
137 Any chief executive officer failing to submit a notification to said
138 secretary as required by this subsection, shall forfeit one hundred
139 dollars to the state for each such failure.

140 (e) Any town that votes to phase-in real property assessment
141 increases resulting from a revaluation may, by vote of its legislative
142 body, extend the number of years over which the gradual assessment
143 increase is reflected by one additional assessment year,
144 notwithstanding the provisions of subsection (a) of this section. The
145 amount of the assessment increase in the assessment year in which
146 such extension is approved shall be the amount of the assessment
147 increase in the preceding assessment year. Not later than thirty
148 business days after the date a town's legislative body votes to extend
149 such phase-in, the chief executive officer of the town shall notify the
150 Secretary of the Office of Policy and Management, in writing, of the
151 action taken. Any chief executive officer failing to submit a notification

152 to said secretary, as required by this subsection, shall forfeit one
153 hundred dollars to the state for each such failure.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage, and applicable to assessment years commencing on or after October 1, 2008</i>	New section
Sec. 2	<i>from passage, and applicable to assessment years commencing on or after October 1, 2009</i>	12-62c

PD **Joint Favorable**